

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
(EASTERN DIVISION)

In re

LEVEE BREAKS INVESTMENT
GROUP, LLC

Debtor.

Chapter 7
Case No. 21-11542-JEB

**APPLICATION FOR ALLOWANCE OF COMPENSATION
BY BETRO AND COMPANY, P.C.
AS ACCOUNTANT TO THE CHAPTER 7 TRUSTEE**

The accounting firm of Betro and Company, P.C. (the “Firm”) hereby files its application seeking allowance of compensation in the amount of \$20,665.00 for services rendered as accountant to David B. Madoff (the “Trustee”), the duly appointed Chapter 7 trustee of Levee Breaks Investment Group, LLC (the “Debtor”). In support hereof, the Firm states:

1. On October 22, 2021, the Debtor filed a petition for relief under Chapter 7 of the Bankruptcy Code, and the Trustee was subsequently appointed.
2. The Debtor was in the business of purchasing, rehabilitating and selling (so called “flipping”) residential real estate on Cape Cod, primarily in the Yarmouth area. The Trustee has since sold or abandoned all of the real estate.
3. Most of the funds used by the Debtor were solicited from private individuals, who were promised a regular return on their investment. According to the claims register, there have been over \$4 million in claims filed, many by private individuals who loaned money to the Debtor.
4. Based on the Trustee’s initial investigation and statements by the creditors, it appeared as though money had been wrongfully transferred from the Debtor’s accounts.

Therefore, by order dated August 3, 2022, the Firm, which specializes in accounting, was employed as the accountant to the Trustee to do a forensic accounting of the Debtor's books and records to determine whether money was misused. The Firm was also retained to perform tax services. A copy of the order allowing employment is attached hereto as **Schedule A**.

5. The Firm has conducted an extensive search through the Debtor's books and records, which had to be subpoenaed from Citizen Bank, National Association, and has provided the Trustee with an analysis showing that the Debtor's funds were transferred to several non-Debtor accounts in the control of the Debtor's principles. The Trustee expects to commence action to recover those funds.

6. A daily ledger of services rendered by the Firm and compiled from the Firm's time records is attached hereto as **Schedule B**. Below is a summary of the hours billed to this case:

| <u>Firm's Staff</u> | <u>Rate</u> | <u>Hours</u> | <u>Amount</u> |
|---------------------------|---------------|---------------|------------------|
| Felix S. Betro, Esq., CPA | 320.00 | 9.75 | 3,120.00 |
| | | | |
| Gary E. Blumenthal, CPA | 270.00 | 7.50 | 2,025.00 |
| | | | |
| Namsalma Yumozhapova | 100.00 | 155.20 | 15,520.00 |
| | | | |
| | Total: | 172.45 | 20,665.00 |

7. As shown in **Schedule B**, the Firm rendered services to the estate having a total value of \$20,665.00 through February, 2023 calculated at the usual hourly rates of each person rendering services.

8. A biography of the individuals of the Firm who rendered services is attached hereto as **Schedule C**.

9. The Debtor's estate is the sole source of the compensation and expense reimbursement promised to the Firm. No agreement of understanding exists between the Firm and any other person for the sharing of compensation received or to be received for services rendered in connection with this case.

Respectfully submitted this 3rd day of March, 2022.

BETRO AND COMPANY, P.C.

A handwritten signature in dark ink, appearing to read "Felix S. Betro", is written over a horizontal line.

Felix Betro
30 Mechanic Street, Suite 3
Foxboro, MA 02035
(508) 698-3600

g:\client\31118\fee app special accountant

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on March 3, 2023 he caused copies of the Application for Allowance of Compensation by Betro and Company, P.C. as Accountant to the Chapter 7 Trustee by United States first class mail, postage prepaid or by ECF, upon the following parties:

SERVICE LIST

Peter M. Daigle on behalf of Creditor Dawn L. Carlotto
pmdaiglesq@yahoo.com,
daiglelawoffices@gmail.com; pace.patriciar43947@notify.bestcase.com; jwong@daiglelawoffice.com

Victor A. Denaro on behalf of Creditor Nora Wall
vdenarolaw@comcast.net

John Fitzgerald
USTPRegion01.BO.ECF@USDOJ.GOV

Jay P. Johnson on behalf of Creditor Linda Ruggiero
jpi@jpjlaw.net

Jeffery Johnson on behalf of Creditor Funding Solutions, LLC
jeff@jefferyjohnsonesq.com, wendy@jefferyjohnsonesq.com

Nina M. Parker on behalf of Creditor Joseph and Marcia Siracusa
nparker@ninaparker.com, rondag@ninaparker.com; alston@mandkllp.com

Brian W. Riley on behalf of Creditor Town of Dennis
briley@k-plaw.com

Peter Riordan on behalf of Creditor Nancy Marble
priordan@js-law.com

Alex M. Rodolakis on behalf of Debtor Levee Breaks Investment Group, LLC
arodolakis@fletchertilton.com, arodolakis@fletchertilton.com

John E Saliba on behalf of Creditor Lisa Saliba
johnesaliba@comcast.net

Michael P Trainor on behalf of Creditor Frank Romaglia
mtrainor@blankrome.com

Alice Denise Benjamin
19 Newtown Rd.
Sandwich, MA 02563

Felix S. Betro
Betro & Company, P.C.
30 Mechanic Street, #3
Foxborough, MA 02035

Marlene Browne
1285 Lawrence St., Unit 6
Loweel, MA 01852

Rosalie Cunio
94 Candlewood Drive
Waltham, MA 02451

David Mandeix
Rachel Mandeix
38 Broad St
Rehoboth, MA 02769

Respectfully submitted this 3rd day of March, 2023.

/s/ David B. Madoff
David B. Madoff (BBO#552968)
MADOFF & KHOURY LLP
124 Washington Street – Ste. 202
Foxborough, Massachusetts 02035
(508) 543-0040
madoff@mandkllp.com